

1 February 1955

ISRAELI REACTION TO SPIES' EXECUTION

- I. As yet, no official word on Israeli reactions to Monday execution. On basis pre-execution comment, can expect strong response.
- A. Ambassador Lawson (Tel Aviv) reported Prime Minister Sharett "visibly shaken" by Egyptian intention execute spies.
- B. Other high Israeli officials warned "terrific" public reaction (in line with prior suggestions popular attitudes might bring about war).
- C. Because present government is shaky coalition, Sharett also insists he might be forced yield to intemperate elements. Emphasized his moderate policy being increasingly criticized by people as result:
1. US arms agreement with Iraq.
 2. Refusal Suez Canal transit for Israeli ships.
 3. Iraqi-Turkish defense proposals.
 4. Syria's detention 4 Israeli soldiers.
- D. Execution of spies in Cairo comes as climax to above series.
- II. We can anticipate these Israeli moves--
- A. Strong international campaign (using diplomats and Jewish organizations) to discredit, embarrass Egypt, particularly Nasr regime.
- B. Violent Israeli press campaign urging war.

State Dept. review completed

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C. Tacit Israeli governmental approval maximum reprisal activity on Egyptian frontier.

III. However, war not anticipated, unless Egypt loses restraint on frontier.

- A. Also, despite voiced concern, fall of Sharett government not expected at present.
- B. Should change of government nonetheless occur under present circumstances, almost certain to bring regime to power which would be more belligerent and war-minded than Sharett.